Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of)	RECEIVED
Cellular Service and Other Commercial Mobile Radio Services in the Gulf of)	W1 Docket No. 97-112 MAY 3.0.200
Mexico))	OFFICE OF THE SECRETARY
Amendment of Part 22 of the Commission's)	CC Docket No. 90-6
Rules to Provide for Filing and Processing of)	
Applications for Unserved Areas in the)	
Cellular Service and to Modify Other)	
Cellular Rules		

FURTHER REPLY COMMENTS OF AT&T WIRELESS SERVICES, INC.

AT&T Wireless Services, Inc. ("AT&T"), by its attorneys, hereby submits its further reply comments in the above-captioned proceeding. AT&T holds various cellular and personal communications service ("PCS") licenses in markets that border the Gulf of Mexico Service Area ("GMSA"). Under the Commission's current rules, AT&T has experienced difficulties serving subscribers along the shoreline in certain markets because of the prohibition against any extensions by land-based carriers into the CGSA of the GMSA licensees. In markets where AT&T's CGSA includes Gulf coastal waters in the service area boundary ("SAB") as a result of de minimis extensions either granted by the Commission or resulting from the Commission's change in the standard for SAB measurement from 39 dBu to 32 dBu, AT&T has no problems

List A B C D E

Cellular Service and Other Commercial Mobile Radio Services in the Gulf of Mexico, WT Docket No. 97-112, Amendment of Part 22 of the Commission's Rules to Provide for Filing and Processing of Applications for Unserved Areas in the Cellular Service and to Modify Other Cellular Rules, CC Docket 90-6, Second Further Notice of Proposed Rulemaking, 12 FCC Rcd 4516 (1997), pleading cycle reopened, DA 00-687 (rel. Mar. 27, 2000), 65 Fed. Reg. 24168 (Apr. 25, 2000) ("Second FNPRM").

serving its customers on land and is also able to provide service to cellular phone users in the coastal waters.^{2/}

AT&T filed comments in this proceeding on July 2, 1997 and reply comments on August 4, 1997. In those comments, AT&T urged the Commission to adopt an "exclusive zone" for the Gulf carriers that begins twelve nautical miles from the shoreline and to include the area from the shoreline to the border of the exclusive zone (the "coastal zone") within the service area of the adjacent land-based licensee.³⁷ Upon review of the further comments filed in this proceeding, AT&T now supports the compromise proposal offered by ALLTEL Corporation ("ALLTEL"), under which both land-based and Gulf carriers would be permitted to establish contours into the coastal zone, subject to requirements for frequency coordination and without interference protection as currently defined in the Commission's rules.⁴⁷

The ALLTEL proposal would resolve many of the problems currently facing cellular carriers with markets adjacent to the GMSA by allowing them to increase signal strength as necessary to provide reliable and ubiquitous service to their customers. The ALLTEL proposal would also provide the Gulf carriers with greater flexibility to provide service throughout the Gulf, addressing the concerns raised by the Court of Appeals in its remand. Finally, the ALLTEL proposal would reduce disputes between land-based and Gulf carriers. Customers on shore would be served by the land-based carriers; customers in the exclusive zone would be

See Comments of AT&T at 4-5 and Declaration of John Dapper attached thereto.

Comments of AT&T at 4-6.

See Further Comments of ALLTEL at 9-10.

⁵/ <u>Petroleum Communications Inc. v. Federal Communications Commission</u>, 22 F.3d 1164 (D.C. Cir. 1994).

served by the Gulf carriers; and customers in the coastal zone would be served by the system best and most efficiently positioned at the time to serve that subscriber.

AT&T also supports the restrictions proposed by BellSouth in its further comments: (1) the provision of service in the coastal zone should be limited to land-based carriers with markets bordering the Gulf of Mexico and the Gulf carriers; (2) the CGSA boundary for land-based carriers should remain at the coastline, while the CGSA for Gulf carriers should begin at the border of the exclusive zone; and (3) the Commission should continue to prohibit the Gulf carriers from locating cell sites on land without the consent of the relevant land-based carrier. The Commission's current policy prohibiting Gulf carriers from placing facilities on land is necessary to prevent interference and subscriber capture. Concerns about interference and subscriber capture are heightened near the GMSA because of the excessive roaming rates charged by the Gulf carriers. With these restrictions incorporated, AT&T believes that the ALLTEL proposal would resolve the vast majority of the problems regarding cellular service in and near the Gulf and would further the public interest and the Commission's goals in this proceeding.

AT&T also agrees with DW Communications that the FCC should not grant a separate PCS license for the GMSA.^{10/} Current PCS licensees with service areas bordering the Gulf are already building networks that will provide adequate service to coastal areas. These existing

⁶ Further Comments of BellSouth at 2.

⁷/ Id.

^{8/} Id. at 3. See also Comments of AT&T at 6-9.

⁹ See Declaration of Gary Reifel, attached hereto as Exhibit 1.

Reply Comments of DW Communications at 2.

PCS carriers are authorized to extend their service areas into the GMSA, and the FCC should not unilaterally reduce their service areas without some showing of a concomitant public benefit.

CONCLUSION

AT&T urges the Commission to adopt the compromise proposal offered by ALLTEL, with the restrictions set forth above.

Respectfully submitted,

AT&T WIRELESS SERVICES, INC.

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May 30, 2000

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DECLARATION OF GARY REIFEL

- 1. My name is Gary Reifel. I am employed as Manager Carrier Relations, with AT&T Wireless Services, Inc. ("AT&T"). In this position, I am responsible for negotiating roaming agreements with other cellular carriers.
- 2. AT&T previously had a roaming agreement with Bachow/Coastel, L.L.C. ("Coastel") that required AT&T to pay a rate six to eight times market rate for its customers to roam on Coastel's Gulf system. AT&T began discussions regarding rate reductions with Coastel in 1993; I joined these discussions in June 1998. In July 1999, when years of negotiations proved unsuccessful, AT&T requested that its numbers be pulled from Coastel's Gulf system. Currently, AT&T does not offer its customers the ability to roam on Coastel's Gulf system. Negotiations over rate reductions continue but have not been successful to date.
- 3. Roaming in the Gulf currently is available to a limited number of AT&T's customers on the network of Petroleum Communications Inc. PetroCom's roaming rates are lower than Coastel's, but still well above market rates. AT&T has also been negotiating with PetroCom for a reduced rate since 1993. As a result of the excessive costs of providing roaming on PetroCom's Gulf system, AT&T will begin charging its "Digital-One-Rate" customers \$0.99 per minute to roam in the Gulf this summer. Customers previously were charged the "home" rate when they roamed on PetroCom's system.
- 4. AT&T has received numerous complaints from its customers as a result of coverage loss and the excessive roaming rates charged by the Gulf carriers (both PetroCom and Coastel). We expect to receive more complaints this summer when rates are raised from their current home rate levels to \$0.99 per minute in the Gulf.

I declare under penalty of perjury that the foregoing is true and correct, to the best of my

knowledge, information, and belief.

Gary Reifel

Executed on

CERTIFICATE OF SERVICE

I, Michelle Mundt, hereby certify that on this 30th day of May 2000, I caused copies of the foregoing "Further Reply Comments of AT&T Wireless Services, Inc." to be sent to the following by either first class mail, postage prepaid, or by hand delivery (*):

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